

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF MONROE COUNTY WATER)	
DISTRICT OF MONROE COUNTY, KENTUCKY, FOR)	
A CERTIFICATE OF PUBLIC CONVENIENCE AND)	CASE NO.
NECESSITY TO CONSTRUCT AND FINANCE)	98-541
PURSUANT TO KRS 278.023)	

O R D E R

On October 19, 1998, Monroe County Water District ("Monroe District") submitted an application for a Certificate of Public Convenience and Necessity to construct a \$354,800 waterworks improvement project and for approval of its plan of financing for this project. This project consists of the acquisition and construction of a 2,000 square foot central office building. Project funding is a \$270,000 bond issue to be purchased pursuant to an agreement with the U.S. Department of Agriculture's Rural Development ("RD"), a \$30,000 grant from the Monroe County Fiscal Court, and a \$54,800 contribution from the applicant.

Monroe District's application was made pursuant to KRS 278.023, which requires the Commission to accept agreements between water utilities and the U.S. Department of Agriculture or the U.S. Department of Housing and Urban Development and to issue the necessary orders to implement the terms of such agreements within 30 days of satisfactory completion of the minimum filing requirements. Given that minimum filing requirements were met in this case on October 19, 1998, KRS 278.023 does not grant

the Commission any discretionary authority to modify or reject any portion of this agreement.

IT IS THEREFORE ORDERED that:

1. Monroe District is hereby granted a Certificate of Public Convenience and Necessity for the proposed construction project.
2. Monroe District's proposed plan of financing with RD is accepted.
3. Monroe District is authorized to issue bonds not to exceed \$270,000.
4. Monroe District shall file a copy of the "as-built" drawings and a certified statement that the construction has been satisfactorily completed in accordance with the contract plans and specifications within 60 days of the substantial completion of the construction certificated herein.

Nothing contained herein shall be deemed a warranty of the Commonwealth of Kentucky, or any agency thereof, of the financing herein accepted.

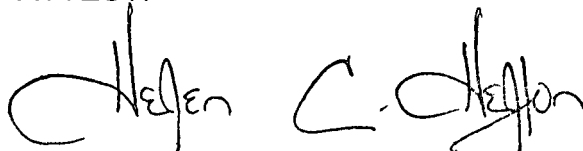
Done at Frankfort, Kentucky, this 13th day of November, 1998.


PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

ATTEST:


Executive Director


Commissioner